(SHRI RASHEED MASOOD): (a) Yes, Sir.

(b) 1 (cne)

(c) 1 (one).

(d) to (f) With a view to fill up the post. the candidate fulfilling the qualification is being called before Staff Selection Board for interview.

**Suggestions by the representatives of Industry for change in Industrial Policy**

2966. SHRI S. MADHAVAN: Will the Minister of INDUSTRY be pleased to state:

(a) what are the details of suggestions given by the representatives of industry to change the industrial policy for bringing about healthy industrial growth in the country, during the meeting with the Prime Minister, recently;

(b) whether they demanded a review of the various domestic controls;

(c) what are the suggestions given by them to attract foreign investment; and

(d) what action has been taken to implement their suggestions?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) to (d)

Statement

(a) The main suggestions given by the Confederation of Engineering Industry and ASSOCHAM are as follows:

(i) Simplification and transparency in different areas of controls and regulations;

(ii) Simplification of regulations for the SSI sector could be started first;

(iii) The existing compartmentalisation between large and medium, medium and small has been counter-productive. A new integrated policy should be evolved to encourage the concept of networking, backward and forward ancilliarisation etc;

(iv) Certain provisions of the MRTP Act, 1969, Companies Act, 1956 and FERA should be modified.

(v) Minimise protection of Indian industry in order to build Indian industry into international global players.

(vi) Increase autonomy of public sector enterprises.

(b) Yes, Sir.

(c) The main suggestions given by representatives of industry to attract foreign investment are as follows:

(i) The restriction of 40% equity participation limit by foreign investers should be done away with;

(ii) Even in respect of areas where 40% criterion has to remain, an additional 11% should be permitted to be held by the development banks of investing country or a neutral agency, on the basis of the principles of automaticity and transparency;

(iii) Sanctions in permitted areas should be automatic;

(iv) For appropriate technology transfer, rules governing royalty terms, terms related to periods etc., need to be modified so that the parties are provided the requisite flexibility to negotiate;

(v) The concept of Build,Operate and Transfer should be adopted specially in infrastructural areas requiring huge investments;

(vi) Indian companies should b encouraged to set up plants/officees

overseas, particularly in regional groups such as the EEC.

(d) Within the broad framework of the existing industrial policy of the Government of India as enunciated in the Industrial Policy Resolution of 1956 and as elaborated from time to time, the Government has already taken some decisions which have been laid in the form of a paper on the Table of both Houses of Prliament on 31 May, 1990. The paper is entitled "Policy measures for the promotion of small scale and agro-based industries and changes in procedures for industrial approvals". The main thrust of the measures contained in this paper for the small scale sector is on increasing productive employment generation in rural and backward areas, whereas the main thrust of the changes in industrial approvals is towards reducing unnecessary bureaucratic control and consequent delays and corruption.

Review of the industrial policy is a continuing process and appropriate changes where ever considered necessary are made from time to time in the light of the various suggestions received in this regard.

**Indian Companies operating in Foreign countries**

2967. SHRI YASHWANT SINHA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that many Indian companies belonging to MRTP Houses hold substantial shares in other countries notably Switzerland, the United States of America and the United Kingdom;

(b) if so, what are the details of such companies and the extent to which these can further spread in those countries;

(c) what is the dividend/commission remitted to India by such companies;

(d) whether it is also a fact that these companies hold the view that their further activities in other countries need not require specific permission from Indian authorities; and

(e) if so, what is Government's reaction thereto?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) to (e) A Statement showing (i) the Joint Ventures with 50% or more equity and (ii) Wholly Owned Subsidiaries set up overseas as on 20-8-1990, and dividend received by the Indian Companies registered under section 26 of the MRTP Act, 1969 and belonging to the MRTP Houses is annexed. (*See* Appendix CLV, Annexure No. 101)

The payment of commission is not allowed under the existing guidelines.

The Indian promoter is required to seek the Government's prior permission for making further investment by the Joint Venture companies/wholly owned subsidiaries in another company abroad. However, a few representations have been received that the Government's approval is not necessary for such investment if there is no such stipulation in the letter of approval. This issue is under examination.

**Cost Price including Freight and Other Taxes on Import of per litre Crude Oil**

2968. SHRI ANANT RAM JAISWAL: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) what are the expenses incurred by Government on per litre import of crude oil together with cost price, freight and various taxes,